Master’s Degree International negotiations and expertise
Sciences Po Strasbourg
2020-2021

The geopolitics of South America: strategic watch
September 2020-February 2021

Marine BARDOU
Andreea MUSCA
Contents

Introduction.................................................................................................................................1

I. A region strongly affected by Covid 19: conjunctural events revealing structural
fragilities........................................................................................................................................2
1. Economic recession in an already fragile context.................................................................3
2. The pandemic as a catalyzer of social destabilization revealing systemic fragility..........4
3. “Covid diplomacy”: a reconfiguration of geopolitical alliances........................................5

II. Social tensions, protests, social change: the unfolding of social movements in South
America.........................................................................................................................................6
1. Long-standing social discontent unfolding in times of crisis..............................................6
2. Transnational identity movements.........................................................................................7
3. Polarized societies: between international movements and local resistance......................9

III. Unstable political systems in crises: a destabilised region in the international system
......................................................................................................................................................10
1. A series of political crises.......................................................................................................11
2. A broader institutional crisis.................................................................................................12
3. Regional political system and the place of South America in the world order.................13
Conclusion: taking stock of multiple crises.............................................................................14

Annexes........................................................................................................................................16
Annex 1: Map of South America: states and territories............................................................16
Annex 2: Gross Domestic Products (GDPs) of South American states in 2019......................17
Annex 3: List of sources used during the strategic watch.........................................................17
Annex 4: Interviews conducted and conferences attended.....................................................19
Annex 5: Methods used during the strategic watch: visual presentation............................20
Annex 7: GDP growth in South America in 2020.....................................................................21
Annex 8: Which anti-Covid vaccines are available in Latin America?..................................21
Annex 9: Election timeline: a dense electoral period for South America.............................22
Annex 10: A common sanitary crisis, various features of a mounting instability...................22
Annex 11: Interviews..................................................................................................................23

Image on the cover page: satellite image, Guide of the world, September 10, 2017,
Introduction

“The epicentre of the pandemic”\(^1\): it is with this expression that Christophe Ventura, specialist of South America at the Institut de Relations Internationales et Stratégiqes (IRIS), designated the region during the interview we conducted with him\(^2\). Beyond sanitary impacts, the Covid-19 pandemic was a trigger for geopolitical recompositions in the sub-continent. Indeed, the question of dependency, especially on the United States, was a vexed question since the independence of South American states, and was again put into the limelight by the pandemic. South America is currently composed of 12 states and two territories belonging to European states\(^3\), which are collectively important in the world economy. However, this economic power is unequally distributed\(^4\) and is plagued by fragilities and imbalances in its structure. Since international politics are strongly affected by domestic variables\(^5\), it should not be overlooked that within countries, there are also sizable inequalities in the distribution of wealth, coupled with lingering problems of governance, corruption, public debt and considerable levels of interpersonal violence in some countries\(^6\). The twelve South American states are based upon democratic regimes, which are often characterized by weaknesses and instability. In the case of Venezuela, their democratic character can even be discussed since the activities of the opposition are curtailed by the executive in power. Hence, beforehand the Covid-19 pandemic, South American geopolitics were affected by multiple crises, often with domestic origins, that were exacerbated by the sanitary stress and its consequences on economic, social and political structures. How did this array of crises unfold during the last months and how can these developments be explained? We summarize in this report the findings made during our 5-month strategic watch, following three axes: the direct consequences of the Covid-19 pandemic for South America, the development of numerous and far-reaching social movements, and the evolution of South American political regimes both domestically and regarding their international roles and alliances.

To conduct this strategic watch, we progressively constituted a corpus of more than 50 sources of information that can be found in the annex\(^7\). The corpus follows a logic of balance between South American newspapers, newspapers based outside the region but considered as international

1 Our translation.
2 Cf. Interview 4 in the Annex 11.
3 See map of the region in Annex 1.
4 See GDPs of South American states and their relative importance in the world in Annex 2.
https://elpais.com/ciencia/2021-01-25/la-desigualdad-de-las-ciudades-latinoamericanas-de-la-longevidad-de-alemania-a-la-violencia-de-irak.html.
7 See list of sources used for the strategic watch Annex 3.
references, and think tanks, based both in and outside South America. We both speak Spanish, which gave us access to the original version of all Spanish-speaking newspapers and think tanks, both from Latin America and Spain. We used the English or Spanish version of Brazilian newspapers. South American newspapers were selected in all 12 states, taking into account their circulation and balancing their political orientations. Every day, relying upon RSS feeds and news aggregators, we consulted the upcoming news in these various sources and noted down on a shared document a summary for each country. We splitted the work between us on the basis of alternating days, so that each of us, with the help of daily summaries, would stay in touch with the flow of information. We complemented this work by interviews, conducted with specialists and citizens of the region, and attended conferences devoted to the geopolitics of South America. Finally, we complemented this work by the creation of maps to summarize trends and information collected. For that purpose, we used the software Khartis. Similarly, we created graphs to present data in a more visual way. These maps and graphs are situated in the annex and referred to throughout this report. This array of methods proved efficient and we did not need to adjust it throughout our strategic watch.

We shall now turn to the presentation of the findings of our strategic watch, following our three axes of analysis.

I. A region strongly affected by Covid 19: conjunctural events revealing structural fragilities

The Covid-19 pandemic affecting the global economic and social structures since 2020 has been particularly dramatic for South America, as it occurs while the region is already subject to structural fragilities and systemic political instability, deepening the economic crisis in most of the countries. Concurrently, the pandemic has also awakened movements of solidarity and willingness to change, revealing the strong progressist trends present in South American societies. At an international level, the “Covid diplomacy” induced by the pandemic played a reconfiguring role in the continent’s geopolitics, in particular through unveiling new alliances and foreign interests in the region.

8 The full list of interviews conducted and events attended can be found in the Annex 4.
9 See graph summarizing the methods in Annex 5.
1. Economic recession in an already fragile context
From an economic point of view, South American countries have been facing long-standing crises during the last decade. Since the 2009 economic and financial crisis, the economic and social development of these countries have fluctuated, provoking a heterogeneous picture. The Covid-19 pandemic has had the same consequences on all South American states: a deepening of the economic crisis and the biggest recession ever experienced in the continent. Indeed, five Latin American countries are among the world's 10 most affected in terms of Covid-19 cases, with Brazil accounting for 40% of deaths in the region.\(^{10}\) According to the IMF, the World Bank and the UNECLAC\(^{11}\), South America faced around 8% of fall in its GDP in 2020, with 214 million people affected by poverty, of whom 83 million under the extreme poverty threshold. The worst recession is faced by Venezuela, with a GDP expected to fall by 18% in 2020.\(^ {12}\) In order to address the economic fragilities increased by the pandemic, two solutions have been envisaged by South American governments: to implement economic reforms and to call on international assistance.

In Argentina, where the population is facing extreme inequalities and informal employment, along with strong dollarization of its economy and devaluation of the peso, the Covid-19 has caused a poverty increase of 40%. Consequently, on December 4, 2020, the government adopted a tax on wealthiest households in order to create income aimed at countering the effects of the pandemic. The same decision was made a few days later, on December 10, by the Bolivian authorities, who stated that it would allow a better management of the health system, an economic recovery, and an increased budget for social policies. Despite their wealth of natural and mineral resources, South American countries have been some of the most affected by public debt crises during the last decades, heavily relying on the international community’s facilities. In this context, Argentina and Ecuador have negotiated with the International Monetary Fund (IMF) new collaboration modalities. In September 2020, the international institution approved a 6.5 billion dollars loan to Ecuador, of whom 2 billion were granted to the country in December. This measure, according to the agreement, should also be accompanied by strong economic reforms. Starting in November 2020, an IMF mission in Argentina and various meetings with the authorities set the stage for a renegotiation of the 56 billion dollars program launched in 2018 to a new long-term Extended Fund Facility.

Besides these specific measures, South American countries globally aim at mitigating the effects of the pandemic through the reinforcement of preexisting social plans; however, the clear and

---

10 See map in Annex 6 for an overview of Covid-19 confirmed cases and deaths in South America.
11 United Nations Economic Commission for Latin America and the Caribbean.
progressive degradation of the population’s living conditions underlines the fragility of those systems and questions the necessity for change.

2. The pandemic as a catalyst of social destabilization revealing systemic fragility
The economic effects provoked by the global pandemic and the decisions made by the governments in order to counter them have been particularly contested in South America. Indeed, Covid-19 adds to a situation of strong inequalities, corruption and weak states-citizens relations, and explains the population’s discontent as a global factor in the continent; its manifestation, however, differs according to the context. In Ecuador, for example, Lenin Moreno’s decision to take out a loan from the IMF provoked massive critiques and demonstrations both from the population and members of the government. The decision is believed to increase the existing public debt, to maintain corruption and to transfer the responsibility of refund to the new government elected in February 2021, without guaranteeing profit for the population. In situations where the pandemic has particularly hit specific economic sectors, the population has mobilized against the governments’ inaction. It is the case, for example, in Peru, where local communities, miners and agrarian workers have suffered the consequences of reduced exportations income and strongly contested the government’s initiatives to counter the effects of the pandemic. In other countries, the reasons for massive demonstrations are linked to the weakness of health systems and the incapacity to manage the pandemic crisis. In Peru, Paraguay and especially in Brazil, the medical systems have rapidly collapsed under the pressure of massive contaminations, leading to the saturation of hospitals and oxygen shortages. Consequently, the last months have witnessed various protesting events within the medical sector, asking for wage increases and a rise of the national health budget. In the Brazilian city of Manaus, in particular, this situation has awakened strong opposition movements against the president Jair Bolsonaro\textsuperscript{13}, including within the government and among his partisans.

The effects of the pandemic have not only exacerbated national instabilities in South America, increasing awareness about structural fragilities and popular discontent: at the regional level, it has sometimes deepened bilateral tensions, for instance between Venezuela and Colombia about the refugees’ issue, and, in some cases, restored dialogue: Venezuela, for example, has provided oxygen supplies to Brazil, despite the enmity between the Nicolas Maduro and Bolsonaro. Chile and Argentina, which have historical strained relations, have affirmed their will to cooperate in the fight against the Covid-19 pandemic. But most importantly, the pandemic has revealed the lack of regional integration in South America and the local governments’ incapacity to efficiently address sudden crises. Indeed, regional institutions often lack strong governance and legitimacy, such as the

\textsuperscript{13} Jair Bolsonaro has been subject to accusations of inaction and bad crisis management.
Union of South American Nations and the UNECLAC, or autonomy, such as the Organization of American States, the FPDSA\textsuperscript{14} and the Lima Group, very often being under the influence of the United States. Others, like the Mercosur, struggle to maintain a united position due to internal rivalries and fragmentation. As a consequence, South America once again shows its dependence on the international community.

3. “Covid diplomacy”: a reconfiguration of geopolitical alliances
The Covid-19 pandemic has also had consequences on South America’s position at the international level, by reconfiguring the state of geopolitical influences and rivalries in the region. The seriousness of the crisis has led the governments to call on the international community in support of their national health systems, starting with the global Covax initiative of which many South American countries benefit. Donald Trump’s administration, which mainly focused on internal issues rather than multilateral interventions in the health sector, made room for other powers to establish their influence over the region, which is traditionally situated in the sphere of influence of the United States. Most South American vaccine contracts are with the British AstraZeneca Group, but the actual first actor to step up and provide support to these countries is China. After shipping masks, medical materials, and personnel, and granting financial loans, China has also become one of the first countries to make sales contracts for Covid-19 vaccines with South American governments\textsuperscript{15}. Venezuela, for example, was the first to get China’s support in the pandemic management since September 2020, as the population faces the consequences of the American sanctions. In Brazil, despite sino-brazilian tensions and Bolsonaro’s skepticism towards vaccines, private clinics and heads of federal states have bought doses of Sinovac and formalized an agreement of technology transfer to the Butantan Institute in São Paulo. Vaccine diplomacy has served as a solution for restoring diplomatic relations between the two countries. Xi Jinping has, moreover, taken advantage of his prominent position in the pandemic management to provide help to the Bolivian government and position China as its major international partner. While reaffirming its support to Bolivian president Luis Arce in the fight against Covid-19, China announced its intention to expand the Belt and Road Initiative in the country.
Concurrently, other international actors have developed their relations with South American countries through “Covid diplomacy”. The first one is Russia, whose Sputnik V vaccine benefited in particular Argentina. The partnership between Alberto Fernández and Vladimir Putin has been strengthened and symbolically confirmed by the images of the Argentinian president getting the

\textsuperscript{14} The Forum for the Progress and Development of South America.
Russian vaccine on television, giving Russia, along with China, a strong position in the United States’ historical “backyard” in South America. Furthermore, India, whose Bharat Biotech sold the recently approved Covaxin doses to Brazil in January 2021, and South Korea, who sent PCR tests to Bolivia, are emerging actors of the health sector diplomacy. Even though the United States has also exported their vaccine to South America, Pfizer and other European vaccines were quickly surpassed by the other technologies, allowing Asian emerging powers to expand their influence and supplant the United States in the continent regarding vaccine sale\(^{16}\). The election of Joe Biden, despite the change in his foreign policy with respect to his predecessor, is not likely to reverse the situation in the short term because of the advance taken by non American companies.

II. Social tensions, protests, social change: the unfolding of social movements in South America

During the last months – and years – South America has also been facing growing social discontent. Structural fragilities, such as institutional weakness, inter-personal violence, and inequalities that persist in these countries have met with circumstantial events, structural social transformations, identity issues and, obviously, the Covid-19 pandemic. Consequently, local and transnational movements have animated public debate, for some of them succeeding in implementing fundamental changes in society or at least acquiring a strong symbolic role in the bottom-up social transformation. Nevertheless, the will of change has in many situations been restrained by conservative movements and the fragmentation of societies.

1. Long-standing social discontent unfolding in times of crisis

Protests for better living conditions, less inequalities and improved governance are not new in South America. In many of these countries there are structural fragilities linked to economic issues that compel the population to enter informal and precarious systems. Consequently, many demonstrations have been disturbing public and political life during the last months, most of them starting as general protesting movements.

One of the most emblematic is the Chilean social movement started in 2019, which lasted until the plebiscite, on 25 October 2020\(^{17}\). As described by the Chilean student in the interview we

\(^{16}\) See graph Annex 8 for an overview of the companies selling anti-Covid vaccines in South America.
conducted, the violent protests in Chile were aimed at putting an end to corruption, to the privatization of social services (water and sanitation, health insurance, etc.) and the citizen’s low purchasing power. The same situation can be observed in other countries. In Argentina, agricultural workers held a 20-day strike in agricultural ports. They were demanding salary increases high enough to compensate for the high inflation and labor risks caused by the Covid-19 pandemic. The strike constituted a particularly acute crisis as agro-export is one of the main sectors of the Argentinian economy - which is itself one of the world’s major breadbaskets. In Ecuador and Peru, the same precarious economic system, social policies based on insufficient and inefficient social plans and very poor legitimacy of governments have also led to important strikes and demonstrations. In December 2020, for instance, Peruvian farm workers blocked highways for days to protest the agricultural reform. While this reform was aimed at bolstering the efficiency of the sector, it was criticized by farm workers for keeping salaries low. In Venezuela, this situation is extreme: the authoritarian regime and the international sanctions create an even bigger burden for the citizens, who have faced poverty and rights restrictions for 20 years.

These manifestations of discontent that could be seen as classic social demands in democratic systems add to generalized violent events, violations of human rights and degraded state-citizens relations. In Chile, concurrently with the large wave of demonstrations, in Peru, during the agrarian workers’ strikes and the protests against the president Manuel Merino, or in Colombia, where violence and the unfulfilled peace agreement maintain the country in a constant state of instability, violent clashes among the population and between demonstrators and the police forces have led to many civilian casualties. These events provoked strong indignation of the population, disapproval and condemnation from local actors, international NGOs and the interventions of specialized UN agencies to fight against violations of human rights.

2. Transnational identity movements
Since a few years and through the exacerbation of globalization, South American countries have demonstrated a will for social transformation not only about basic needs and living conditions, but

17 Protests regularly continue since October 2020. They relate to the use of force by the police and arrestation of demonstrators.
19 Argentina is currently facing a monetary crisis.
20 For example Indepaz, Institute for Peace and Development Studies, in Colombia.
21 Amnesty International has condemned the government’s incapacity to stop violence in Colombia and has requested an enquiry for police violence in Chile.
22 In Venezuela, various reports and missions of the UN High Commissioner for Human Rights have been made, in addition to an accusation of crimes against humanity by the Lima Group in front of the ICC. In October 2020, a denunciation was sent against the government of Colombia before the Interamerican Human Rights Court for violation of fundamental rights. A UN mission was announced in Peru, in November 2020, after the violent clashes between the police and demonstrators.
also on identity issues and global trends, such as ecological concerns. The conflicting situations described above and the specific pandemic context have further increased these claims, leading to various parallel progressivist movements.

One important movement erupted in November 2020 in Brazil, after the killing of a black man by supermarket security guards. Although it is not a long-standing movement in South America, this particular event and the worsening, due to Covid-19, of black people’s global condition in a multicultural state like Brazil increased awareness about racism and discriminations. Indeed, black and mixed-raced people account for 57% of Brazilian population and constitute 74% of the victims of lethal violence\(^2\), of whom two young girls were killed by the police forces in December 2020. The anti-racism movement in the country acquired an international dimension by using the “Black Lives Matter” slogan imported from the United States.

Another strong identity movement concerns gender, which has witnessed important evolutions this year. Countries in South America face a progressive transformation of social structures since a few decades, with a reconfiguration in women’s role in society, but gender inequalities keep being a major issue. The Argentinian president’s initiative to bring forward a bill of reproductive rights, approved on 30 December 2020, represents a key milestone in women’s rights all over the continent. Indeed, abortion is only allowed in extremely limited circumstances, such as rape or risks to the mother’s life, in most Latin American countries. In South America, Argentina is the third state to legalize this act, after Guyana and Uruguay. Consequently, a wave of demonstrations has exploded in the neighboring countries the following weeks: in Brazil, the provocative work of a female artist raises concern about gender and identity recognition problems, while in Chile feminist demonstrations demand immediate decriminalization of abortion.

Within the identity movements, another one concerns indigenous peoples’ rights. Since September 2020, a series of protests have been taking place in different South American countries: in Colombia, Paraguay and Brazil, indigenous associations have led negotiations and pacific demonstrations to assert their right to heritage and to protection. Indeed, the questions of indigenous identity and national heritage are very important in these mixed societies, as “in the name of the God of progress” (Eduardo Galeano)\(^2\) the governments tend to infringe native peoples’ fundamental rights. This issue is directly linked to the environmental problem. In Brazil and Ecuador, these last months several civil society groups have protested the authorities’ decisions to exploit natural resources on indigenous peoples’ lands, therefore violating their rights, but also international engagement on the fight against global warming. On January 22, 2021, Chief Raoni

\(^2\) According to the NGO The Brazilian Forum on Public Safety.

Metuktire and Chief Almir Narayamoga Surui\textsuperscript{25} filed a claim against Bolsonaro before the International Criminal Court, accusing him of crimes against humanity. At the same time, Brazilian civil society is currently looking for a dialogue with international actors such as the EU, in order to stop Bolsonaro’s exploitation projects in the Amazon rainforest. His actions are being strongly criticized not only because they violate environmental commitments and indigenous peoples’ rights to land and natural resources: the delay in signature of the EU-Mercosur trade agreement shows that Brazilian president’s attitude can jeopardize Brazil’s and South America’s credibility in the international sphere.

3. Polarized societies: between international movements and local resistance

The numerous movements for better living conditions, human rights or individual identity, or for the environment translate a generalized demand for change and progress. But, on the other hand, South America remains a fragmented continent with polarized social and political systems.

Women’s rights transnational movements, for example, provoked skeptical reactions from heads of state, such as Bolsonaro’s provoking declarations against the Argentinian president, but also the population itself. In Argentina, the legalization of abortion has not been achieved without massive demonstrations and oppositions between the “green” (pro-abortion) and the “blue” waves (anti-abortion). Supporters of both options had massively gathered in front of the houses of the Argentinian parliament during the vote of the bill. Moreover, catholic associations have also mobilized to try and discourage the government from adopting the bill.

The same polarization was observed in Chile, during the demonstrations for the change of constitution. In October 2020, Nazi groups gathered to fight against the population demanding for the suppression of the Pinochet’s era constitution. Without thinking only about extreme manifestations of this social polarization, the interview conducted with the Chilean student\textsuperscript{26} demonstrates that young people are more willing to social and political change, while old generations would like to keep things as they are and are more likely to vote against a new constitution. The role of young people in protests has been particularly striking in Chile, but the constatation can be extended to other South American countries: a new generation, that has not lived under authoritarian regimes, is much more prone to contestation than the generation of their parents was. These young people are also more educated, and as a result are particularly frustrated at the current lack of economic opportunities in their countries\textsuperscript{27}.

\textsuperscript{25} The leaders of the Kayapo people and of the Paiter Surui tribe, in Brazil.
\textsuperscript{26} Interview no. 2, Annex 11, p. 27.
\textsuperscript{27} Cynthia Sanborn, interview for the Wilson centre. https://us18.campaign-archive.com/?e=%5bUNIQID%5d\&u=9d3b1e27a4b568dddb1b9f5f91\&id=09febe0b0a&emci=dfc39993-bb2a-eb11-; The Guardian, 25/11/2020.
These differences in the population’s perception of change are strongly linked to the history of South and Latin America in general. The globalization of the continent and the entry in the world of capitalism in the 20th century has been accompanied by an anti-imperialist trend in South America, with a view to moving away from the dependence of the United States. Furthermore, the growing inequalities and governance issues in South American states have led to the emergence of a socialist wave between 2000 and 2010, although comprising very different “leftist” visions. These systems quickly turned out to be unable of proposing political and social solutions that could fulfill the population’s needs - an extreme case is that of Venezuela, which turned into an authoritarian regime - and started to lose legitimacy. With the global economic crisis starting in 2009, deepening inequalities, unemployment and inflation, and in some cases controversial political actions, progressivist parties in South American progressively lost power, changing again the continent’s political landscape. As a consequence of all these transformations and expressing a general exasperation towards political elites, South American citizens are currently strongly divided. On one side, liberal systems represent a risk of letting foreign powers exploit the countries’ resources and maintain a certain dependence on external aid, while on the other, austerity and conservative measures can mean restrictions of liberties and isolation on the international level. Adding to these issues, catholic institutions have strong influence in South American states and play an important role in conserving traditional structures. These oppositions in South American societies do not only lead to manifestations of social discontent: the mistrust regarding political elites and governmental institutions has caused, this year in particular, political instability on the whole continent.

III. Unstable political systems in crises: a destabilised region in the international system

The aforementioned social tensions are not without consequences on political systems of South America, which are characterized by preexisting fragilities. During these last months, an array of governmental crises unfolded, the contestation of institutional designs and political recompositions being exacerbated by the dense electoral cycle. These trends interacted with international evolutions, shifting the state of play in the regional political system and the place of South America in the international system.

28 Term employed by Pablo Stefanoni, Argentinian historian and journalist.
1. A series of political crises
The South American political regimes have been affected these last months by a series of political crises, the ones in Chile and Peru being the most acute. In Chile, since the constitutional referendum in October 2020, protests against the executive have not stopped. They show problems in the management of social discontent, which has been met by the use of force. The Chilean plebiscite was aimed to be an answer to this discontent, but as the current situation shows, it was not sufficient to address it. In Peru, the governmental crisis that started in November 2020 found its origin in the destitution of the president Martin Vizcarra, who was accused of corruption. The president then designated by the Peruvian parliament, Manuel Merino, faced protests claiming that Vizcarra’s destitution was driven by political motives only. Following the death of some protestors due to use of force by the police, Manuel Merino had to resign, after only a few days in power. He was replaced by Francisco Sagasti, a widely respected personality, who will be holding the presidency up to the April 2021 general elections, but the crisis created political instability when the country faces a major recession in its economic history. In both Chile and Peru, police violence is key in the discontent. These vast movements of contestation echo those of Ecuador and Colombia in autumn 2019 and point to difficulties in the use of sovereign power to maintain order.

In Brazil, there was no political tension of such a magnitude, but the executive is under strong pressure. Indeed, some social movements, backed by political parties in the opposition, call for the impeachment of the president Bolsonaro. While the chances of such a procedure to succeed are scant, it keeps a tense political climate, reinforced by scandals concerning Bolsonaro and his family. The Paraguayan executive was also enmeshed in scandals in January 2021, when the Washington Post revealed that Juan Guaido tried to negotiate a reduction of the Paraguayan oil state company debt to the Venezuelan oil state company PDVSA. The case of Venezuela is extremely specific, but nonetheless central. While the December 2020 elections gave a clear victory to Nicolas Maduro, who has now retaken control of the National Assembly, Juan Guaido is still claiming to be the legitimate president and is recognised as such by many states, including the United States. Hence, the Venezuelan opposition allied with Guaido is still acting as a parallel government and legislative assembly, highlighting the contested nature of Maduro's regime, which does not enjoy all the rights of a sovereign state in the international system. There is however a counterexample to the lingering political instability, that of Bolivia. After the election of Luis Arce as president in October

29 Both houses of the Brasilian Congress have heads allied with the president Bolsonaro.
30 The son of the president, Flavio Bolsonaro, faced corruption charges during the autumn 2020, and it was revealed in January 2021 that the president himself and his government spent 2.9 million dollars of public money on condensed milk in 2022 (Financial Times, 04/11/2020); The Guardian, 27/01/2021).
2020, the transition went remarkably smoothly, given the tensions between the supporters of the MAS\textsuperscript{31} and the supporters of what is sometimes called the “coup d’État” of October 2019.

2. A broader institutional crisis

These political crises appear as symptoms of a deeper institutional crisis affecting South America: democratic processes struggle to respond to social demands, to solve political conflicts and the very institutional designs of states are questioned. This is the case in Chile, where a new constitution will be drafted. Tellingly, there were during the recent protests in Peru calls to organise a similar referendum. Electoral events have also multiplied these last months\textsuperscript{32}, highlighting a blurred political landscape. In Chile, even if there was massive participation in the October 2020 constitutional referendum and clear results in favor of a new constitution, the perspective of a constitutional process in the coming months has not put an end to weekly protests: the referendum failed to solve social conflict. In Brazil, the November 2020 municipal elections revealed persistent support to the allies of Bolsonaro, as well as recompositions in the Brazilian party system: the socialist party, which was long a major actor, was largely defeated, and candidates of various parties of the centre right emerged. Furthermore, like in Chile, one could observe challenges for the democratic process itself: many candidates were the target of armed violence during the campaign. The general elections in Venezuela in December 2020 indicated comparable trends. Indeed, there allegedly was massive fraud and intimidation on the part of Maduro’s government. Besides, parallel democratic processes were held by the government of Maduro and Juan Guaido, who organized a popular consultation: in those conditions, the ability of the democratic institutions to solve political conflict is limited, in that all actors do not accept to play the same institutional game. Furthermore, the opposition split between the actors who participated in the elections organized by Maduro and the ones who continued to back Guaido. The presidential elections of February 2021 in Ecuador displayed a much less critical situation.

However, the record number of candidates should be noted, reflecting recompositions in the traditional party structure. The two candidates ahead after the first round, Andres Arauz and Guillermo Lasso, are from traditional parties, but Yaku Perez, in third place with almost as much votes as Guillermo Lasso, is from the eco-socialist Pachakutik party and very much a challenger to the traditional politics. Moreover, the results are currently contested by supporters of Yaku Perez, who claim there was fraud. While not being linked to an electoral process, the November 2020 governmental crisis in Peru contributes to this unfolding democratic crisis. Indeed the destitution of Martin Vizcarra had juridical grounds, but it was heavily contested as having political motives,

\textsuperscript{31} The MAS (Movimiento Al Socialismo) is a socialist party, led by Evo Morales.

\textsuperscript{32} See timeline in the Annex 9.
pointing to a “judicialization of politics”, that is, the use of juridical means to political ends. This trend is observable in many other countries of South America, Brazil being a prime example of the multiplication of corruption accusations towards political adversaries. The case of Colombia offers another perspective on these difficulties of political arrangements to solve political disputes. Indeed, the “minga indigena”, that is the indigenous movement of the autumn 2020 was met with no reaction from the government to these social demands. At the same time, the 2016 peace agreements with the FARC are poorly implemented, with the government of Ivan Duque publicly criticizing them.

3. Regional political system and the place of South America in the world order

The undermining of democratic systems in South American states is not without broader regional and international consequences. First, considering the election series results at the level of South America, there is no longer a “shift to the right” as was observed since the 2010s. Neither is there a new ‘Pink tide’ like in the 2000s, but rather the emergence of a blurred picture, with diversity in political orientations. Indeed, while the president of Brazil mobilises far-right discourses and conducts arguably populist policies, the Peronist Alberto Fernandez is president of Argentina since October 2019, and adopted economic and social policies contrasting with the liberal agenda of his predecessor and has openly supported Evo Morales. Together with Luis Arce, Alberto Fernandez is openly dialoguing with Nicolas Maduro. This policy is in stark contrast with that of the president of Colombia, Ivan Duque, and of Chile, Sebastian Pinera, who both belong to traditional right-wing parties. The initiatives of Fernandez have undermined the coherence of the Group of Lima, set up mainly to oppose Nicolas Maduro. This diversity illustrates that while South American states display similar political, social, economic and sanitary trends, the consequences for political equilibriums diverge.

As shown by the Venezuelan crisis and the Covid-19 pandemic, this fragmentation of the political landscape makes the vexed question of regional integration even more challenging. By and large, regional organisations are in difficulty. The OAS has been divided on the Venezuelan case, and the UNASUR has not had a functioning secretary since 2017. The division of the subcontinent has often served the interests of the United States. However, it is not clear how the recent political changes will affect their place in South America. The election of Joe Biden as president is regarded

---


34 Fuerzas Armadas Revolucionarias de Colombia.

35 The Lima group was created in 2017 and gathers a majority of Latin American states plus Canada, including almost all South American states with the exception of Ecuador and Paraguay.

by many South American actors as the return of “normal” or “competent” imperialism. The expression recalls that the United States’ policy is not liable to change fundamentally, but rather change in style. For example, the United States still seeks to make Nicolas Maduro leave. The United States also still has a close ally in the region, essential for the “war against drugs”: Colombia. Nevertheless, since Ivan Duque became president, the Colombian government is reluctant to implement the 2016 peace agreements, whereas it is a priority of Biden. When considered together with the tensions between the government of Biden and Bolsonaro over the Amazonian rainforest, and the weakening of the group of Lima, which was a key asset of the United States, the recent political evolutions in South America seem to have fragilized the United States in the region. That is even more striking when contrasting with the initiatives of China. As outlined above, China has been very active in the “Covid diplomacy”, but its role goes much beyond, especially in the field of investments: for example, Argentina has manifested its willingness to join the Belt and Road initiative. By contrast, the influence and presence of the European Union (EU) in South America is limited and even more so as the EU-Mercosur trade agreement has been put in jeopardy by some EU countries.

**Conclusion: taking stock of multiple crises**

To conclude, a trend of multiple instabilities developed in South America during our strategic watch. The Covid-19 pandemic has made apparent structural fragilities in the economic and social structures of South America, and also opened up a recomposition of geopolitical alliances. It made more acute long-standing social discontent, which translated into numerous social movements related to living conditions. They unfolded together with transnational identity movements, reflecting far-reaching changes in conservative societies. As a result of these movements, South American societies appear to be more and more polarized. This social unrest interacts with an array of political crises, which reveal the common difficulties of South American democracies to cope with social demands and trigger political recompositions. Therefore, the political landscape, both within countries and at the level of the subcontinent, is increasingly fragmented. That latter feature poses a heightened challenge to the political integration of the region, which appears as divided and characterized by a dwindling, but still considerable, influence of the United States.

37 See Annex 10 for a graph summarizing sources of instability country per country.
The geopolitics of South America

The support of foreign partners will be crucial, in the short term, for South American states to manage the pandemic and get enough vaccines. In this context, the potential continuity of social movements will indicate whether they have the potential to initiate landmark changes in South American societies. The Chilean constitutional process starting as of April 2021 will be essential to monitor, as are the upcoming results of the elections in Ecuador: if Andrés Arauz was elected, which seems likely for the moment, it could make the balance tick even more towards ‘leftist’ parties in South America.

Beyond the management of immediate challenges, the ability of South American countries to relaunch their economies in the mid-term will be key to provide an answer to social discontent. However, beyond economic performances, the integration of social movements claims in political systems and policy reform, for example the new reproductive rights recently voted in Argentina or the implementation of the 2016 peace agreements in Colombia, remains to be seen. This factor will be decisive for the stabilisation and resilience of democratic regimes. These internal evolutions will be closely intertwined with the policies of international partners, especially of the United States and of China. It is also in the mid-term that the United States may significantly amend its policy towards Venezuela, and that a potential rekindling of regional integration may be seen.

In the longer term, these adjustments may or may not lead to a durable shift in geopolitical alliances in the region, moving away from the United States. The future economic development of the subcontinent will also be determining the centrality of South America for these international actors and their policies. The options and choices made by South American states in terms of economic policy, and in terms of alliances, will be strongly related to the political forces in power and to the ability of democratic regimes to durably overcome the crisis they are currently facing.
Annexes

Annex 1: Map of South America: states and territories

The map shows the location of South American states, together with that of their capitals. There are also two territories belonging to European states in South America: French Guiana and the Falkland Islands, administered by the United Kingdom. The colors correspond to the sub-regions usually distinguished in South America.

Annex 2: Gross Domestic Products (GDPs) of South American states in 2019 (own realization)

GDPs of South America in 2019


Annex 3: List of sources used during the strategic watch

<table>
<thead>
<tr>
<th>Type</th>
<th>Country</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reference newspapers for international affairs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td></td>
<td>El Pais</td>
</tr>
<tr>
<td>Spain</td>
<td></td>
<td>Europapress</td>
</tr>
<tr>
<td>United States</td>
<td></td>
<td>New York Times</td>
</tr>
<tr>
<td>United Kingdom</td>
<td></td>
<td>BBC News</td>
</tr>
<tr>
<td>United Kingdom</td>
<td></td>
<td>The Guardian</td>
</tr>
<tr>
<td>International</td>
<td></td>
<td>Reuters</td>
</tr>
<tr>
<td>France</td>
<td></td>
<td>Courrier international</td>
</tr>
<tr>
<td>South American newspapers</td>
<td>France</td>
<td>Le Monde</td>
</tr>
<tr>
<td>--------------------------</td>
<td>--------</td>
<td>---------</td>
</tr>
<tr>
<td>Brazil</td>
<td>Folha de S.Paulo</td>
<td>O Estado de São Paulo</td>
</tr>
<tr>
<td>Argentina</td>
<td>Perfil</td>
<td>Clarin</td>
</tr>
<tr>
<td></td>
<td></td>
<td>La Nacion</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pagina 12</td>
</tr>
<tr>
<td>Chile</td>
<td>El Mercurio</td>
<td>La Tercera</td>
</tr>
<tr>
<td>Peru</td>
<td>El Comercio</td>
<td>Expreso</td>
</tr>
<tr>
<td></td>
<td></td>
<td>La Republica</td>
</tr>
<tr>
<td>Colombia</td>
<td>El Colombiano</td>
<td>Semana</td>
</tr>
<tr>
<td></td>
<td></td>
<td>El Tiempo</td>
</tr>
<tr>
<td>Venezuela</td>
<td>El Mundo</td>
<td></td>
</tr>
<tr>
<td>Ecuador</td>
<td>El Universo</td>
<td></td>
</tr>
<tr>
<td>Bolivia</td>
<td>Pagina 7</td>
<td>La Razon</td>
</tr>
</tbody>
</table>

Think tanks

<table>
<thead>
<tr>
<th></th>
<th>Institute of Latin American Studies (ILAS Columbia university)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Institut des Amériques</td>
</tr>
<tr>
<td></td>
<td>Programme Amérique latine/Caraïbes de l'Institut de Relations Internationales et Stratégiqes</td>
</tr>
<tr>
<td></td>
<td>Heritage Foundation</td>
</tr>
<tr>
<td></td>
<td>Brookings Institution</td>
</tr>
<tr>
<td></td>
<td>Carnegie endowment for international</td>
</tr>
<tr>
<td>Peace</td>
<td>Centre for Latin American Research and Documentation</td>
</tr>
<tr>
<td>-------</td>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Wilson center</td>
</tr>
<tr>
<td></td>
<td>Celag (South American think tank)</td>
</tr>
</tbody>
</table>

### Specialised, independent medias

<table>
<thead>
<tr>
<th>Sud América Hoy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latin América News Dispatch</td>
</tr>
<tr>
<td>Nouveaux espaces latinos</td>
</tr>
<tr>
<td>L'Actu latino</td>
</tr>
<tr>
<td>Latino America 21</td>
</tr>
</tbody>
</table>

**Annex 4: Interviews conducted and conferences attended**

<table>
<thead>
<tr>
<th>Name/organizer</th>
<th>Function/title</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviews</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrique Uribe</td>
<td>Professor at Sciences Po Strasbourg</td>
<td>14/11/2020</td>
</tr>
<tr>
<td>Christophe Ventura</td>
<td>Research director at the Institut de Relations Internationales et Stratégiques (IRIS) and specialist of Latin America</td>
<td>26/01/2021</td>
</tr>
<tr>
<td>Alejo</td>
<td>Student from Venezuela living in Chile</td>
<td>11/01/2021</td>
</tr>
<tr>
<td>Hector</td>
<td>Student from Chile, studying in Strasbourg</td>
<td>04/01/2021</td>
</tr>
<tr>
<td>Conferences</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IRIS</td>
<td>&quot;Où va l'Amérique latine?&quot;</td>
<td>04/11/2020</td>
</tr>
<tr>
<td>IRIS and Agence Française de Développement (AFD)</td>
<td>&quot;Etats-Unis/Amérique Latine : quelles perspectives après l’élection de Joe Biden ?&quot;</td>
<td>03/02/2021</td>
</tr>
</tbody>
</table>
Annex 5: Methods used during the strategic watch: visual presentation (own realisation)

**Methods**

Daily work

Daily summary of upcoming news

On the basis of a corpus of 50 sources, using a shared document and on the basis of alternating days

Interviews

Throughout the watch

Interviews with experts and citizens of South American countries

Cartography and graphs

Oral presentations and final report

Visual representations of data

Annex 6: The sanitary impacts of the Covid-19 pandemic in South America (own realization)

The Covid-19 pandemic in South America

**Deaths caused by Covid-19/1000 inhabitants (data available on 26/02/2021)**

- >1.4
- >1.1
- >0.8
- >0

**Covid-19 confirmed cases (data available on 26/02/2021)**

- 10 455 630
- 4 933 050
- 1 020 412
- 378 173
- 8 913

Base map from Natural Earth (CC0) · John Hopkins (Covid-19 cases and deaths) and World Bank (population)

*Source:* own realization, made with Khartis using data from John Hopkins University (Covid-19 confirmed cases and deaths) and the World Bank (for countries’ populations, used to calculate ratios/1000 inhabitants).
Annex 7: GDP growth in South America in 2020 (own realization)†


Annex 8: Which anti-Covid vaccines are available in Latin America?†

Source: https://es.statista.com/grafico/23738/compras-de-vacunas-anti-coronavirus-en-latinoamerica/
Annex 9: Election timeline: a dense electoral period for South America

Source: own realization.

Annex 10: A common sanitary crisis, various features of a mounting instability (own realization)

Source: own realization, map in the public domain at https://commons.wikimedia.org/wiki/File:Blank_South_America_map_withBorders.png#filelinks.